

# **DEPARTMENT OF FINANCIAL INSTITUTIONS**

## **MINUTES OF MEETING**

**FEBRUARY 13, 1992 9:00 AM EST**

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, February 13, 1992. Members present were Messrs. Mark Hasten, presiding, W. Paul Wolf, John M. House, Douglas Grant, Eugene Deutsch, Daniel Leitch, and Mrs. Dee L. Godme. Also present were Director Charles W. Phillips; J. Philip Goddard, Legal Counsel; Deputy Director Donald E. Husk, C.F.E., Depository Institutions; John E. Simmonds, Deputy Director; Randall L. Rowe, Bank Supervisor; James M. Cooper, Administrative Assistant; Douglas H. Tussey, Chief Examiner; John J. Schroeder, Senior Bank Analyst; Burl H. Thornton, Bank Analyst; Sherry Wertz, Field Supervisor, Credit Union Division; Charles T. Stumpf, Administrative Assistant; Janice L. Davis, Executive Secretary; Terry Duga, Attorney General's Office; John P. Bowen, President, New Washington State Bank; and William N. Salin, Attorney, Beers, Mallers, Backs, & Salin.

### **I. EXECUTIVE SESSION**

A.) A continuing review of information obtained during recent examinations of the following institutions was held.

1. Prime Bank, Cromwell
2. Jasper State Bank, Jasper
3. English State Bank, English
4. Marengo State Bank, Marengo

This information is confidential as provided in I.C. 28-1-2-30. This aspect of the Executive Session is authorized by I.C. 5-14-1-5.6(A)(6).

### **II. PUBLIC SESSION**

A.) Attendance

B.) The date of the next meeting will be March 12, 1992, at **9:00 a.m. EST.**

C.) Upon motion made by Mr. House and seconded by Mrs. Godme the minutes of the meeting held January 9, 1992, were unanimously approved.

D.) Action taken under Executive Session:

1. Prime Bank, Cromwell - no action was taken.
2. Jasper State Bank, Jasper - no action was taken.
3. English State Bank, English - no action was taken.
4. Marengo State Bank, Marengo - no action was taken.

### **DIVISION OF BANKS AND TRUST COMPANIES**

1.) An application from New Independent Bancshares, Inc., New Washington, Clark County, Indiana, requesting approval of a plan of common stock exchange. A review of the transcript and exhibits generated during a public hearing held January 17, 1992, and consideration of the order by Director Charles W. Phillips, regarding the application for a plan of common stock exchange between New Washington State Bank, New Washington, Clark County, Indiana, and New Independent Bancshares, Inc., New Washington, Clark County, Indiana was made. Exchange rate will be one share of bank holding company (New Independent Bancshares, Inc.) common stock for each common share of bank stock. After a discussion and some clarifications by Mr. Bowen, President of New Washington State Bank, and Mr. William Salin, Attorney for the bank, a motion was made for approval by Mr. Grant and seconded by Mr. Leitch. The request was unanimously approved.

2.) A request by Society Corporation, Cleveland, Cuyahoga County, Ohio, for approval to acquire 100% of Ameritrust Corporation, Cleveland, Cuyahoga County, Ohio, and thereby, Ameritrust Indiana Corporation, Elkhart, Elkhart County, Indiana. The acquisition will be accomplished by a merger of Ameritrust Corporation, with and into, Society Corporation. Ameritrust Indiana Corporation will survive as a second tier holding company. As a result of the transaction, Society will gain control of the following three Indiana bank subsidiaries:

Ameritrust Bank, Howard County, Kokomo  
Ameritrust National Bank, Central Indiana, Indianapolis  
Ameritrust National Bank, Michiana, Elkhart

The application was received on November 13, 1991, and accepted for processing on November 27, 1991. The statutory forty day inactive period expired on January 6, 1992. Notices of publication in Cuyahoga County, Ohio, and Howard, Marion, and Elkhart Counties, Indiana, have been received. A motion was made for approval by Mr. House and seconded by Mr. Wolf. The acquisition was unanimously approved.

### **DIVISION OF CREDIT UNIONS**

1.) A request by Highway Credit Union, Indianapolis, Marion County, Indiana, for permission to move the main office of the Credit Union from Room 1306, Indiana Government Center North, Indianapolis, Indiana, to Room E-031, Indiana Government Center South, Indianapolis, Indiana. Upon motion made by Mrs. Godme and seconded by Mr. Leitch, the request was unanimously approved.

2.) A request by Capital Plus Credit Union, Indianapolis, Marion County, Indiana, for permission to establish a service office to be located in Room E-031, Indiana Government Center South, Indianapolis, Indiana. Upon motion made by Mrs. Godme and seconded by Mr. Leitch, the request was unanimously approved.

### **DIRECTOR'S COMMENTS**

A.) A request for the Members to consider delegating to the Director of the Department of Financial Institutions the authority to:

- 1) Approve requests to establish branch locations submitted by credit unions. The authority for this delegation is found in I.C. 28-11-1-11. A motion was made for approval by Mr. Wolf and seconded by Mr. Grant. The request was unanimously approved.
- 2) Approve requests by banks to reduce the amount of the bank's reserve for securities as provided in Bank and Trust Companies Regulation B-9. Upon motion made by Mr. Grant and seconded by Mr. Wolf, the request was approved. It is noted that Mr. House voted against the request.

B.) Society Bank, Indiana, South Bend, St. Joseph County, Indiana, has notified the Department that they intend to close their "Warsaw East Branch", located at 2514 East Center Street, Warsaw, Kosciusko County, Indiana. The closing is scheduled for February 28, 1992, at 5:00 p.m. Notice of the closing was published in the Warsaw Times-Union, Warsaw, Kosciusko County, Indiana, on January 25, 1992. This item was for informational purposes only.

C.) The Director advised the Members of actions taken pursuant to delegated authority. The Members requested a copy of the Order specifying the delegated authority of the Director. This Order was distributed to the Members.

D.) A general discussion in regard to the Members' Meetings and attendance of the Board Members was held. Each Member gave their opinion on conducting a Members' Meeting once a month. Mr. Hasten advised the Board that he will summarize the overall consensus in a memo to the Members. This item will be given further consideration.

## **CERTIFICATION**

The Department certifies that the business discussed in the Executive Session was limited only to business which was set out in the Department's Notice of Meeting and Agenda under the heading, Executive Session.

There being no further business to come before the Members, the meeting was adjourned.

**APPROVED:**

**ATTEST:**

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Mark Hasten, Chairman

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J. Philip Goddard, Secretary